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Message Text

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PAGE 01 STATE 213404
ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03
SP-02 OMB-01 /052 R

DRAFTED BY XMB: P J MALLOY:SSU
APPROVED BY EB/IFD/ODF:MCREEKMORE
XMB: T E MORAN
XMB: E J O'CONNOR
EUR/SE:RRDELABARRE
----------127639 071300Z /53
P R 071255Z SEP 77
FM SECSTATE WASHDC
TO AMEMBASSY ANKARA PRIORITY
INFO AMCONSUL ISTANBUL

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E.O. 11652: N/A

TAGS: EFIN, TU

SUBJECT: EXIMBANK PC 3802A GM LOCOMOTIVES

1. ON AUG 25 EXIMBANK DECIDED TO DEFER FOR THE TIME BEING CONSIDERATION OF GM'S REQUEST FOR A SECOND EXTENSION OF THE EXPIRY DATE ON REFERENCED PC FROM 8/30/77 TO 11/30/77. A SIGNIFICANT FACTOR IN EXIMBANK'S DECISION WAS THE (CURRENT) ABSENCE OF COMMERCIAL BANK FINANCING COMMITMENT (30 PCT OF DLRS 18 MILLION TOTAL US COSTS) AND GM'S PRESENT UNWILLINGNESS TO SEEK REINSTATEMENT OF COMMERCIAL BANK COMMITMENT. GM SAYS IT WOULD PREFER NOT TO STIR UP BANKS UNDER PRESENT CIRCUMSTANCES UNLESS AND UNTIL IT IS ASSURED OF GETTING BUSINESS.

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2. ANOTHER, BUT PERHAPS MORE SIGNIFICANT FACTOR, WAS PERSISTENCE OF CERTAIN DIRECT CREDIT PAYMENT DELINQUENCIES AMOUNTING TO ABOUT DLRS 500,000, AND ACCUMULATION OF TRANSFER DELAY CLAIMS AND REPORTED ARREARS, WHICH HAVE RISEN IN A FEW WEEKS FROM ABOUT DLRS 1 MILLION TO OVER DLRS 5 MILLION.

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3. TURKISH EMBASSY WASHINGTON NOT REPEAT NOT ADVISED OF FOREGOING.

4. WHEN ADVISED OF DEFERRAL OF CONSIDERATION, GM ASKED WHAT WOULD HAPPEN IF COMMERCIAL FINANCING SUBSEQUENTLY FORTHCOMING. GM ADVISED THAT EXIM COULD ONLY UNDERTAKE TO RECONSIDER AT SUCH TIME, AND COULD NOT ASSURE FAVORABLE ACTION. AT THIS POINT BALL RESTS WITH GM.

5. EMBASSY VIEWS REGARDING TIMING AND MODE OF NOTIFYING TURKS OF THIS ACTION WOULD BE HELPFUL. DELICACY OF US POLITICAL-COMMERCIAL RELATIONSHIP WITH TURKEY MAKES TIMING OF NOTICE ESPECIALLY CRUCIAL. FROM THE VIEWPOINT OF DEPARTMENT AND EXIMBANK, HOWEVER, FRANK DISCUSSION OF FACTORS LEADING TO EXIMBANK DEFERRAL MIGHT BE SALUTORY IN LEADING TURKS TO UNDERSTAND IMPORTANCE OF CLEARING UP ARREARAGES AND APPROACHING IMF WHICH ARE ESSENTIAL STEPS TOWARD MAINTAINING ACCESS TO EXIMBANK FINANCING. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, AUTOMOTIVE INDUSTRY, BANKS, LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE213404
Document Source: CORE
Document Unique ID: 00
Drafter: P J MALLOY:SSU
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Errors: N/A
Expiration:
Film Number: D770323-0433
Format: TEL
From: STATE
Handling Restrictions: n/a
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Litigation History:
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Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1363173
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK PC 3802A GM LOCOMOTIVES
TAGS: EFIN, BEXP, TU, US, GENERAL MOTORS
To: ANKARA
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/b7394a4b-c288-dd11-92da-001cc4696bcc
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